

JOINT MEETING – MARCH 2, 2011
Board of Selectmen and Finance Committee

I. Call to Order/Roll Call

Selectmen Chairman Alex Vispoli and Finance Committee Chair Joanne Marden opened the Joint Meeting of the Board of Selectmen and Finance Committees at 7:04 P.M. on Wednesday, March 2, 2011 in the Selectmen's Conference Room at the Town Offices. Present from the Board of Selectmen: Chairman Alex Vispoli and Selectmen Mary Lyman, Brian Major, Ted Teichert and John Hess. Present from the Finance Committee: Chair Joanne F. Marden and members Richard T. Howe, S. Jon Stumpf, Mary O'Donoghue, Mark Merritt, Margaret Kruse, Cynthia Milne, Paul Fortier, and Greg Rigby. Also present: Town Manager Reginald S. Stapczynski, and Assistant Town Manager Steven S. Bucuzzo. The meeting was duly posted and cablecast live.

II. Opening Ceremonies

Chairman Vispoli led the members in a Moment of Silence followed by the Pledge of Allegiance.

III. FY-2012 Town Manager's Recommended Budget Presentations

A. Elder Services

Kathy Urquhart, Elder Services Director, presented the FY-12 Budget accompanied by Council on Aging Co-Chairman Donald Robb and a supporting group of employees and volunteers from the Senior Center. A copy of the presentation along with the most recent newsletter was distributed. Mrs. Urquhart reviewed the Mission Statement and Organization Chart and stated their most difficult challenge is to get people to relook at the way they view elders. The Council on Aging Mandate provides a directive for the needs of elders in the community; to educate, enlist and support participation for elders; to design, promote or implement services to fill needs and to coordinate services; to promote and support any other programs designed to assist the elderly, and to enlist and develop capable volunteers and professional leadership. The Organization Chart highlights the various departments within Elder Services – Administration, Fitness and Recreation Education, Volunteer Coordination, Social Services, and Health & Nutrition. Although the number of volunteers has grown, without a Volunteer Coordinator they are unable to properly utilize these services. The Senior Center supports an increasingly diverse population serving residents from age 60 to 100 plus.

With the retirement of one employee, the Department will reorganize and reassign duties utilizing two half-time positions. Of the 11.3 FTE positions, 8 are full-time employees and 3.3 part-time employees (0.3 less than FY 11); 2.6 FTE's are funded through program revenues. The implementation of an on-line registration system will help decrease the clerical burden on staff.

The FY-12 Budget is level-funded, and the slight increase in expenses is due to the rise in fuel costs. The Elder Services budget shows the following:

	<u>FY-11 Budget</u>	<u>FY-12 TM's Recommended Budget</u>	<u>+/-</u>
Personal Services:	\$ 534,122	\$ 525,837	\$-8,285
Expenses:	\$ 158,522	\$ 160,127	\$ 1,575
Sale of Service	<u>-\$121,500</u>	<u>-\$124,300</u>	<u>-\$2,800</u>
Total:	\$ 571,174	\$ 561,644	-\$9,510

Instead of submitting requests through the Town CIP funds for capital projects, funds from the revolving account (\$118,302) will be used for the purchase of bi-fold doors between the program area and cafeteria, the purchase of shades and furniture for the Four Seasons Room, chairs for the Program Area, and a new stove for the kitchen. After these purchases, the remaining balance will be \$32,302 which they would like to use for related expenses for programs they offer.

Issues and challenges include: reductions in Federal and State Aid shifting expenses to the local level, support of the Town in committing to staff training and accreditation, more physical space, revenue to cover the costs of custodians, and flexibility in custodial schedules. The senior population in Andover is increasing while their appropriation from the Town is decreasing. In 2008, there were 5,045 seniors, in 2009 there were 6,440 and in 2010 there were 6,689 seniors. They are always working to meet the needs of the community without increasing expenses.

Elder Services is involved with several regional programs including the Massachusetts Council on Aging, Merrimack Valley Council on Aging, TRIAD, Coordination of medical transportation with MVRTA, access to special diets for Meals on Wheels delivery, training and advocacy at regional and state levels, Andover Police Department liaison, Health Clinics coordinated with the Public Health Department.

If the FY-12 Budget experiences a reduction services provided will be impacted through the reduction of The Senior Center hours and programs, decreased training for staff, and fewer volunteer opportunities available. The Board requested the Town Manager devise a plan to help the Senior Center with custodial services.

The Boards and the Director discussed the food service program at the Center and although the Merrimack Valley Nutrition Program does a great job, the food served at the Senior Center is of better quality and the seniors like coming to the Center for meals. The addition of the walk in freezer will allow them to purchase more food in bulk resulting in cost savings.

B. Community Services

Director Mary Montbleau accompanied by Recreation Coordinator Kim Stamas and Meg Batchelder presented the Community Services FY-12 Budget Overview. Community Services offered over 600 programs to residents and programs are growing yearly. In addition, over 70 people from neighboring communities enrolled in programs this year. Mrs. Montbleau announced the Department's goal of one-million dollars in revenue was met. The DCS Organization Chart and Personnel total has not changed from FY-11. There are five full-time employees who oversee the coordination of classes for children and adults, trips and community events, youth and adult sports leagues, and Recreation Park and Pomp's Pond.

The Budget Summary for FY-12 shows Personal Services for FY-11 as \$423,210 with a recommendation for FY-12 in the amount of \$423,747. Expenses for FY-11 list at \$240,057 with \$240,342 for FY-2012; sales of service list at -\$550,000 for each year. Programs are seasonal so funds from offerings and expenses paid out roll over into the new fiscal year. The Revolving Account Chart for FY 2007-2010 was reviewed. DCS Booklets are paid through the Revolving Account as are two staff positions.

Issues and challenges facing the Department include the need for dedicated space, program restraints due to School Department Policies, weather, need for a user-friendly website, and insufficient revenue to cover expenses for summer concerts and operation of Pomp's Pond. The Department partners with the Greater Lawrence Regional

Technical School and Kid's Club, collaborates with the Massachusetts Recreation & Parks Association, as well as local business and organizations.

A reduction in the FY-12 budget would impact the ability to maintain the infrastructure and the raising of fees which could effect enrollment resulting in fewer program choices. Creation of a user-friendly website linked to the Town website would provide additional exposure of DCS offerings, but they need technical support to build it.

The Board asked the Town Manager to schedule a meeting with the School Superintendent to discuss the policies for use of the schools for youth programs over vacations and after school activities as well as sending informational flyers home in backpacks.

C. Capital Projects

Capital projects requested by DCS include \$15,000 for fencing at the Recreation Park and \$90,000 for improvements to the retaining wall at Pomp's Pond. Originally the fence at Rec Park was earmarked to come from the Revolving Account but it was determined that they could not sustain this. Repairs may have to be completed in phases but it is important they address the safety issues first.

D. Fixed Costs

The Town Manager reviewed the Revenue and Expenditure Projections listed in the FY12 Town Manager's Recommended Budget Book on pages 157 and 158. It was noted the expected debt decreased due to the bonds issued. Total for Fixed Costs for FY-11 were \$30,921,789 and revised to \$32,418,372 for FY-12.

The Town obtained a favorable rate in health insurance through MIIA with an increase of 6.64% not the 10% projected. This allowed for a \$600,000 decrease in the Health Insurance cost. Selectman Major said the value of the Triple A rating has provided outstanding interest rates favorable to the town. Jon Stump requested additional detail on the breakdown of the health insurance fund for Town and School, active and retired employees, and the number of new subscribers for each.

The Town Manager's Recommendation for FY-12 is: General Fund \$3,696,695; Water/Sewer \$3,994,028; Prop 2.5 \$4,421,969; General Insurance \$661,613; Unemployment Compensation \$204,000; Retirement; \$5,085,067, and Health Insurance \$14,355,000. The Bancroft School Project is not included in Fixed Costs.

The Boards discussed the need to plan for the funding of OPEB. Assistant Manager Steve Bucuzzo said the Massachusetts Taxpayer's Foundation released a report with helpful ideas on funding OPEB.

IV. Adjournment

On a motion by Selectman Lyman with a second by Selectman Hess it was voted 5-0 to adjourn the Joint Session Meeting at 9:45 P.M. On a motion duly made and seconded, the Finance Committee adjourned.

Respectfully submitted,

Dee DeLorenzo, Recorder